



Date: March 19, 2013

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director
Department of Community Development
Subject: Sixth Amendment to Contract for Acquisition and
Relocation Services with the Wooten Company

Executive Summary

In April 2008, Council authorized the City Manager to execute a contract with the Wooten Company to provide acquisition and relocation services associated with 51 privately-owned properties on the Rolling Hills site. Council approved an expanded scope of services in December 2009 to include the relocation of tenants from properties acquired by Self-Help elsewhere in the Southside neighborhood. Subsequently, the contract has been amended to extend the contract term and to allow for additional hourly billing with prior approval by the City. This sixth amendment provides for the completion of relocation services associated with four tenant households in properties acquired directly by the City and the relocation of up to three owner-occupants whose homes are so severely deteriorated that rehabilitation is not feasible.

Recommendation

The Department of Community Development recommends that City Council authorize the expenditure of \$25,000.00 in housing bond program income and authorize the City Manager to execute an amendment to the Contract with the Wooten Company for acquisition and relocation services increasing the maximum compensation from Two Hundred Forty-Seven Thousand Four Hundred Fifteen Dollars (\$247,415.00) to Two Hundred Seventy-Two Thousand Four Hundred Fifteen Dollars (\$272,415.00).

Background

The additional services to be funded by this amendment include the completion of the relocation process for tenants located at 802 South Street and 707 Fargo Street and relocation/replacement housing for up to three Southside owner-occupants whose homes cannot be rehabilitated. The remaining tenant relocation is in progress with two tenants remaining in City-owned property. It is anticipated that the first homeowner will be temporarily relocated in the April-May timeframe with a replacement home to be constructed by one of the Southside homebuilders recommended by the Department.

Issues and Analysis

When federal funds are involved, relocation must be conducted in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), and Section 104(d) of the Housing and Community Development Act of 1974. Compliance with all relocation requirements is closely monitored by HUD.

When acquisition and relocation services were initially procured by the Department in 2008, the Wooten Company was the only service provider within the state of North Carolina that responded.

Relocation is time-consuming and continuity is essential in maintaining compliance. For relocated tenants, the relocation process typically cannot be deemed complete until six months after their initial move into replacement housing.

While the homeowner relocation/replacement housing anticipated in Southside will be totally voluntary, the process is still governed by the Uniform Act. Homeowners who opt for the City's assistance may choose to relocate into a comparable home in any location, move into one of the new homes to be constructed in the neighborhood or to have a replacement home constructed on their existing lot by being temporarily relocated.

Included as a part of the amendment is an amended Exhibit C which specifies the fee for the completion of individual relocation tasks. The amended Exhibit C allows for a fee increase based on the average 1.8% Consumer Price Index increase since 2008. A completed relocation based on the amendment will earn the Wooten Company a total fee of \$2,925.00 as compared to \$2,675.00 under the original contract.

Alternatives

The alternative to amending the Wooten Company contract would be for City staff to complete the relocation activities. However, relocation in accordance with the Uniform Act is a highly specialized field and there are no HUD-sponsored trainings currently scheduled.

Financial Impact

The requested housing bond program income necessary to provide relocation services are budgeted and available. (\$25,000.00 contract amount increase; Org. Code: 3410D900, Object Code: 728812, Project Code: QWH1H) There will be no impact on the general fund.

SDBE Summary

The Department of Equal Opportunity and Equity Assurance reviewed the initial proposal submitted by the Wooten Company and determined that it was in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.